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Georgians Lured by Libya's Oilbucks

Some of the good oil boys around Jimmy Carter have demonstrated an overpowering attraction toward Libya's Muammar Qaddafi, the darling of world terrorists. This is developing into a major scandal which has already produced some incriminating conversations, secretly recorded and erased *a la* Watergate.

The real lure, of course, is Qaddafi's abundant petrodollars, which he has handed out to terrorist gangs and President Carter's brother Billy alike. The fiery Qaddafi has been characterized by the Central Intelligence Agency as "the world's most unabashed proponent of revolutionary violence."

Billy Carter made his first excursion to Libya in September 1978. He took along an entourage of Georgians who were eager, I was told, to relieve Qaddafi of some petrobucks. So I flew to Libya to find out what the president's brother had been up to.

It didn't take long to discover what Qaddafi wanted out of the Carter administration. He was furious over Washington's refusal to deliver some airliners and transport planes which he had purchased from the United States.

Qaddafi positively fumed when he spoke to me about it: "The United States is behaving as a thief," he bristled. "They didn't give us planes. They didn't give us even our money back."

I saw classified diplomatic dispatches and spoke to confidential sources. Afterward, I reported that

"the Libyans hoped to use the president's brother to get their planes released" and that Billy Carter "talked to the Libyans about lifting the freeze . . ." Billy Carter has now admitted accepting a \$220,000 advance on a \$500,000 "loan," which the Libyans granted him for no more than a handshake. He also accepted expensive gifts and two all-expense-paid trips to Libya, and he could collect enormous commissions for representing Libya on commercial deals.

Two months after Billy Carter returned from Libya, his brother in the White House released two Boeing 727 airliners to the Libyans. This was opposed, according to State Department sources, by then-secretary of state Cyrus R. Vance.

About the time Billy Carter was wheeling and dealing in Libya, fugitive financier Robert Vesco was also trying to secure the release of the controversial planes.

He told Senate Judiciary Committee investigators this month that the Libyan government credited him with the release of the two 727's and paid him "a substantial sum of money." He also let the investigators listen to part of a startling conversation he had secretly recorded.

A Texas lobbyist, James Day, had contacted Vesco allegedly in behalf of Democratic National Chairman John White and White House staff chief Hamilton Jordan. Here are excerpts:

Vesco: "Yeah but at the time you told me [that] Hamilton Jordan, you

and White met in Texas. Was that the starting point of Carter's knowledge of White's contacts with me?"

Day: "Yes."

Vesco: "OK, but how did it swing from that into Libya, that's what I'm trying to get at."

Day: "OK, OK (inaudible) . . . if you remember, I went back and delivered a message."

Vesco: "What was to be done?"

Day: "That as a gesture on their good faith that they should deliver those planes."

Vesco: "Right, OK."

Day: "So this was what he [White] reported to Ham Jordan and Carter . . ."

Vesco: "Now does White have the power to tell Carter to signal to withhold or not act upon Vance's recommendation to stop the sale [of the planes]."

Day: "Yes."

Day acknowledged that he had discussed the subject with Vesco in Nassau and that the tape was probably accurate. But both Day and White denied there was any substance to the statements. "When you are dealing with people," explained Day, "sometimes you tell them what they want to hear."

Vesco also told Senate investigators that half of the incriminating tape was mysteriously erased but that the master copy was intact.

Footnote: Sens. Dennis DeConcini (D-Ariz.) and Orrin Hatch (R-Utah) are conducting an investigation of the Vesco-Libyan-Carter connections.